

STATEMENT OF PURPOSE

RS18206C1

This bill will exempt individuals who produce 5,000 gallons or less of biodiesel motor fuel in a calendar year for their personal consumption from two requirements of current law:

- The requirement to pay the 1 cent per gallon petroleum transfer fee, and
- The requirement to obtain an Idaho motor fuel distributors license.

The bill clarifies that the existing requirement to pay the 25 cents per gallon motor fuels tax is retained.

Individual biodiesel producers on average produce less than 1,000 gallons of biodiesel annually for their own use. Currently they pay the motor fuel use tax on the Tax Commissions Form 75. This form does not provide for payment of transfer fee. Collection of the transfer fee on less than 5,000 gallons (\$50 dollar fee) is uneconomical.

FISCAL NOTE

Loss of less than \$1,000 of revenue to the highway funds and the Idaho Petroleum Clean Water Trust Fund.

Contact:

Name: Dan John/Ted Spangler

Office: State Tax Commission

Phone: (208) 334-7544